

# **APPENDIX 36**

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August 8, 2011

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**By E-mail and First Class Mail**

George Tzanetopoulos  
Baker & Hostetler LLP  
191 North Wacker Drive  
Chicago, IL 60601-1901

Re: Ross University v. Brooklyn Queens Health Care, et al., 09cv1410 (KAM)(RLM)

Dear George:

This will confirm, pursuant to Judge Mann's Order of July 11, 2011, and our subsequent conversations on the subject, that the defendants are prepared to offer a testimonial stipulation to the effect that if a corporate representative of the defendants, within the meaning of Fed. R. Civ. P. 30(b)(6), were called to testify, that witness would testify to the facts as set forth in the enclosures in connection with Topic Numbers 8 and 10.

In response to Judge Mann's direction that we confer and make a good faith effort to resolve disputes related to the breadth of Topic Number 7 by narrowing the scope of the information requested, you sent me an email on July 11 identifying three subjects – (1) the transfer of Wyckoff employees to the Caritas payroll; (2) the reference to a loan in a January 1, 2007 Subordination Agreement; and (3) references to loans and salaries in the 2006 and 2007 financial statements of BQHC and its predecessor corporation, WHMC Properties, Inc. In connection with these three topics, your email poses at least twenty separate questions.

By letter dated July 14, 2011, I attempted to set out the information that we had been able to collect about the two topics in the three days since receipt of your July 11 email.

I did not hear back from you about these matters until nearly three weeks later, when you asked to discuss them on August 2. During that conversation, I agreed to supplement the information with respect to Topics Nos. 8 and 10 in response to questions you raised. That supplemental information is reflected in the enclosures, including additional documents bates stamped BQHC 56152 - 56171.

However, with respect to Topic No. 7, it appeared that you were expanding rather than narrowing the requested information. Indeed, you indicated a desire to have additional testimony from a defense representative on the subject of the employee transfer from Wyckoff to Caritas which, as you know from deposition testimony, was done at the behest of the FTI consultant to limit the growth of Caritas' indebtedness to Wyckoff for salaries

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rendered to Caritas by Wyckoff employees, and was simply reported to the Wyckoff Board by Mr. Singleton. We have produced documents relevant to these transfers and I am prepared to offer a testimonial stipulation consistent with the facts set forth in those documents and depositions.

Subsequent to my letter to you of July 14, we have obtained additional information about the Subordination Agreement and to references in the financial statements. Once I have had a chance to review that information, along with the documents and depositions related to the employee transfer issue, I will set forth the facts that defendants can offer in the form of a testimonial stipulation. I can do that by one week from today. It is my hope and expectation that, on reflection, you will find it unnecessary to press the issue of taking additional testimony.

Sincerely yours,

A handwritten signature in cursive script, reading "Walter P. Loughlin". To the right of the signature, the initials "WPL" are written in a smaller, more formal script.

Walter P. Loughlin

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**Brooklyn Queens Health Care – Members of the Board of Trustees**

<u>Board Member<sup>1</sup></u>	<u>Membership Period</u>
Emil Rucigay, Esq. (Chairman)	2006 – present
John H. Cook, Jr. Esq.	2006 – present
Fred T. Haller, III, Esq.	2006 – present
Vincent Arcuri	2006 – present
Adam Figueroa	2006 – present
Rajiv Garg	March 2008 – November 2008
Herman Hochberg	February 2008 – present
Gary Goffner	March 2008 – present
Vito J. D'Alessandro, M.D.	March 2008 – present
Frank Chiarello	March 2008 – present
Krishna Mehta	May 2008 – present

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<sup>1</sup> No board members of BQHC, Wyckoff Heights Medical Center, or Caritas are paid a salary or board fees.

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**Caritas Health Care Inc. - Members of the Board of Trustees**

<u>Board Member</u>	<u>Membership Period</u>
Emil Rucigay, Esq. (Chairman)	January 2007 – present
John Cook, Jr.	January 2007 – present
Frederick T. Haller, Esq. (Vice-Chair)	January 2007 – December 2007
Frederick T. Haller III, Esq.	January 2008 – present
Adam Figueroa (Secretary)	January 2007 – present
Vincent Arcuri (Treasurer)	January 2007 – present
Mark Lane	March 2007 – present
Fr. Patrick Frawley	March 2007 – present
Rajiv Garg	May 2008 – November 2008
Herman Hochberg	May 2008 – present
Krishna K. Mehta	May 2008 – present
Albert Wiltshire	October 2008 – present

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**Wyckoff Heights Medical Center – Members of the Board of Trustees**

<u>Board Member</u>	<u>Membership Period</u>
Emil Rucigay (Chairman)	1972 – present
Vincent Arcuri (Vice-Chairman)	2000 – present
Fred T. Haller, III, Esq. (Secretary)	1999 – present
Leon Kozlowski (Treasurer)	2010 – present
Nisha Agarwal, Esq.	2010 – present
Andrew Boisselle	2004 – present
Frank Chiarello	2008 – present
John H. Cook, Jr.	1967 – present
Victoria Cook, Esq.	2004 – present
Vito J. D'Alessandro, M.D.	1990 – present
Adam Figueroa	1992 – present
Gary Goffner	2008 – present
Rajiv Garg	2008 – present
Herman Hochberg	2006 – present
Marcia Maxwell	2010 – present
Edmondo Modica, M.D.	1992 – present
A.C. Rao, M.D.	1998 – present
John D. Rucigay, Esq.	2005 – present
Charlene Visconti	2009 – present
Albert Wiltshire	2008 – present
Frances Purcell	2010 – present
Agnieszka Poslednik	2011 – present

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**Corporate Officers**

	<b>Chief Executive Officer</b>	<b>Chief Operating Officer</b>	<b>Chief Financial Officer</b>	<b>General Counsel</b>
<b>Wyckoff Heights Medical Center</b>	Dominick Gio (6/95 – 2/08)  Nirmal Mattoo <sup>2</sup> (3/08 – 9/08)  Rajiv Garg (11/08 – present)	Harold McDonald <sup>3</sup> (9/97 – 11/10)  Fran Heaney (12/10 – present)	Hal McNeil (1/98 – 2/07)  Wah Chung Hsu (8/06 – 1/10)  Robert Mariani (2/10 – 3/11)  Leon Kozlowski (4/11 – present)	David Hoffman (6/03 – present)
<b>BQHC<sup>4</sup></b>	Dominick Gio (1/07 – 2/08)  Tom Singleton <sup>5</sup>	Harold McDonald (1/07 – 7/07)	Hal McNeil (1/07 – 2/07)  Paul Goldberg (7/07 – 9/08)	David Hoffman (1/07 – 12/07)
<b>Caritas<sup>6</sup></b>	Dominick Gio (1/07 – 6/07)  Tom Singleton  John Kastanis (12/08 – 4/09)	Harold McDonald (1/07 – 6/07)	Richard Sarli (1/07 – 9/08)	David Hoffman (1/07 – 12/07)

<sup>2</sup> Interim Executive Director.

<sup>3</sup> In December of 2007, Harold McDonald and Richard Sarli were transferred from the Wyckoff payroll to that of Caritas. All other salaries were paid by Wyckoff.

<sup>4</sup> BQHC does not currently have any corporate officers.

<sup>5</sup> Mr. Singleton served as the Chief Restructuring Officer pursuant to an Administrative Services Agreement entered into with FTI Cambio LLC d/b/a FTI Cambio Health Solutions as of August 13, 2007, with an effective date of July 19, 2007, and served in that position until September 2008. During his time as CRO, Mr. Singleton exercised managerial control of BQHC, Wyckoff, and Caritas, and at times referred to himself in documents as Chief Executive Officer. Defendants cannot represent with any degree of certainty the specific roles or positions the listed officers assumed during the time period Mr. Singleton was CRO.

<sup>6</sup> The Caritas officers are listed upon information and belief based on the information available to Defendants.

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**Brooklyn Queens Health Care, Inc. Contracts**

The following contracts are those into which BQHC entered as a party since 2006:

1. Ross Affiliation Agreement (December 28, 2006) (Second Amended Complaint Exhibit 1)
2. First Amendment to the Ross Affiliation Agreement (December 5, 2007) (Second Amended Complaint Exhibit 2)
3. Second Amendment to the Ross Affiliation Agreement (February 28, 2008) (Second Amended Complaint Exhibit 3)
4. AUC Promissory Note (December 1, 2006) (ROSS026780-026789)
5. Affiliate Subordination Agreement (January 1, 2007) (BQHC 00430-00439)
6. Administrative Services Agreement with FTI (August 13, 2007) (BQHC 00489-00511)
7. Dowling Employment Agreement (January 4, 2007) (BQHC 03947-03950)
8. McDonald Employment Agreement (December 27, 2006) (BQHC 03941-03946)
9. Vendor Contract with Abbott Labs (December 13, 2007) (BQHC 51560-51566)
10. Vendor Contract with Siemens (December 10, 2007) (BQHC 51567-51592)
11. Administrative Services Agreement (August 21, 2006) (BQHC 00306-00328)
12. Administrative Services Subcontract (August 21, 2006) (BQHC 00329-00337)
13. Agreement and General Release with Dominick Gio (February 1, 2008) (BQHC 56093-56104)
14. Collection Agreement with CBHV, Inc. (May 2008) (BQHC 56140-56144)
15. Temporary Staffing Agreement with TPF Nursing Registry, Inc. (October 2007) (BQHC 56127-56139)
16. Service Contract with Deman Data Systems, LLC (BQHC 56114-56126)
17. Agreement for Supplemental Staffing with Nursestaffing LLC (January 2008) (BQHC 56107-56113)
18. Consulting Letter of Agreement with HealthNET (May 2008) (BQHC 56105-56106)
19. Draft Services Agreement with VHA, Inc. (July 2007) (BQHC 56145-56151)
20. BQHC Mortgage to DASNY (March 22, 2007) (BQHC 56152 - 56164)
21. BQHC Guaranty in favor of DASNY (March 22, 2007) (BQHC 56165 - 56171)